

534.605 Transactions of officers, directors, employees.

It shall be unlawful for an officer, director or employee of an association:

1. To solicit, accept or agree to accept, directly or indirectly, from any person other than the association any gratuity, compensation or other personal benefit for any action taken by the association or for endeavoring to procure any such action.

2. To make a real estate loan or real estate contract to a director, officer, or employee of the association, or to an attorney or firm of attorneys regularly serving the association in the capacity of attorney at law, or to a partnership in which a director, officer, employee, attorney, or firm of attorneys has an interest, without the prior notification of the superintendent, fifteen days prior to closing the loan or executing the contract, who may prohibit the proposed transaction by order. A real estate loan or real estate contract shall not be made to a corporation in which any of the parties are stockholders, except that with the prior approval of its board of directors a real estate loan or real estate contract may be made to a corporation in which a party owns no more than fifteen percent of the total outstanding stock and in which the stock owned by all the parties does not exceed twenty-five percent of the total outstanding stock. However, this section does not prohibit an association from making loans pursuant to sections 534.202 and 534.208 and loans on the security of a first lien on the home property or manufactured or mobile home owned and occupied by a director, officer, or employee of an association, or by an attorney or member of a firm of attorneys regularly serving the association in the capacity of attorney at law.

A loan made to an affiliated party is subject to the association's normal lending policies and procedures, and shall be approved by a two-thirds vote of the directors, the interested director not voting.

3. To have any interest, direct or indirect, in the purchase at less than its face value of any evidence of a savings liability or other indebtedness issued by the association or other assets at less than their fair market value.

4. An association operating under this chapter may indemnify any present or former director, officer, or employee in the manner and in the instances authorized in sections 490.850 through 490.859. If the association is a mutual association, the references in those sections to stockholder shall be deemed to be references to members.

[C97, §1918; C24, 27, 31, 35, 39, §9388; C46, 50, 54, 58, §534.85; C62, 66, 71, 73, 75, 77, 79, 81, §534.8]

83 Acts, ch 71, §6

C85, §534.605

87 Acts, ch 212, §17; 90 Acts, ch 1205, §57; 90 Acts, ch 1208, §20; 2001 Acts, ch 153, §15; 2001 Acts, ch 176, §80; 2002 Acts, ch 1154, §121, 125